



San Sevaine Redevelopment Project

Five Year Implementation Plan (2004-05 through 2008-09)

September 2004

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Five-Year Implementation Plan

San Sevaine Redevelopment Project

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Five-Year Implementation Plan

San Sevaine Redevelopment Project

Introduction

This document is the Third Five-Year Implementation Plan ("Implementation Plan") for the San Sevaine Redevelopment Project Area, as shown in Exhibit A, ("Project Area") of the San Bernardino County Redevelopment Agency ("CoRDA"). This Implementation Plan presents the CoRDA goals and objectives, anticipated projects and programs, and estimated expenditures for the five-year planning period (covering fiscal years 2004-05 through 2008-09). This Implementation Plan will become an important element of the "Report to County" document, as required by Section 33352 of the California Community Redevelopment Law, Health and Safety Code Section 33000 *et seq.* ("CRL"), to be used during the adoption proceedings on the proposed Amendment No. 1 to the San Sevaine Redevelopment Plan ("Redevelopment Plan").

Adopted by the CoRDA following an appropriately noticed public hearing on October 5, 2004, this Implementation Plan will guide the CoRDA's actions in implementing key redevelopment projects in the Project Area. A mid-term review and update of this Implementation Plan will take place between the second and third years after the adoption date pursuant to the requirements of the CRL. Concurrent with the preparation of the Implementation Plan is the consideration by the CoRDA to approve and adopt Amendment No. 1, which would effectively expand the geographical reach of the Project Area by adding a 1,156 acre area ("Added Area") that surrounds the existing Project Area at various points. The Implementation Plan focuses on the projects, programs, and estimated revenues and expenditures planned for the Project Area as it exists as of the date of its preparation. Indications of projects and plans for the proposed Added Area are for reference purposes only and do not commit the CoRDA to include them in its work plan. However, the subsequent adoption of Amendment No. 1 may necessitate an update to the Implementation Plan that reflects those changes approved and adopted by the CoRDA. These updates to the Implementation Plan would occur during the mid-term review.

Rather than a contract, the Implementation Plan serves as a policy and strategy document that will guide current and future projects and programs by the CoRDA to eliminate blight, encourage the revitalization of the Project Area, and preserve and improve the stock of housing affordable to low- and moderate-income households. Traditionally divided into two components – Redevelopment and Housing – this Implementation Plan provides a detailed review of the former element since the latter element was completed as a separate document and adopted by the CoRDA at its meeting of September 14, 2004.

Accordingly, the Redevelopment component: 1) reviews the goals and objectives of the Redevelopment Project Plan; 2) identifies CoRDA's strategy to achieve said goals and objectives; 3) outlines the projects, programs and expenditures (not including those relating to low and moderate income housing) that have been identified as means to accomplish said goals and objectives; and 4) describes how the goals and

objectives, projects, programs and expenditures will eliminate blight within the Project Area.

The Implementation Plan is supposed to also outline how its component sections will implement various requirements of the CRL regarding low- and moderate-income housing. As stated previously, this Implementation Plan contains a section that summarizes the projects, programs, and expenditures outlined in the separate Ten Year Housing Implementation Plan document. Its explanation of how these items will meet the specific CRL housing requirements is based on the more detailed description included in the Housing Implementation Plan.

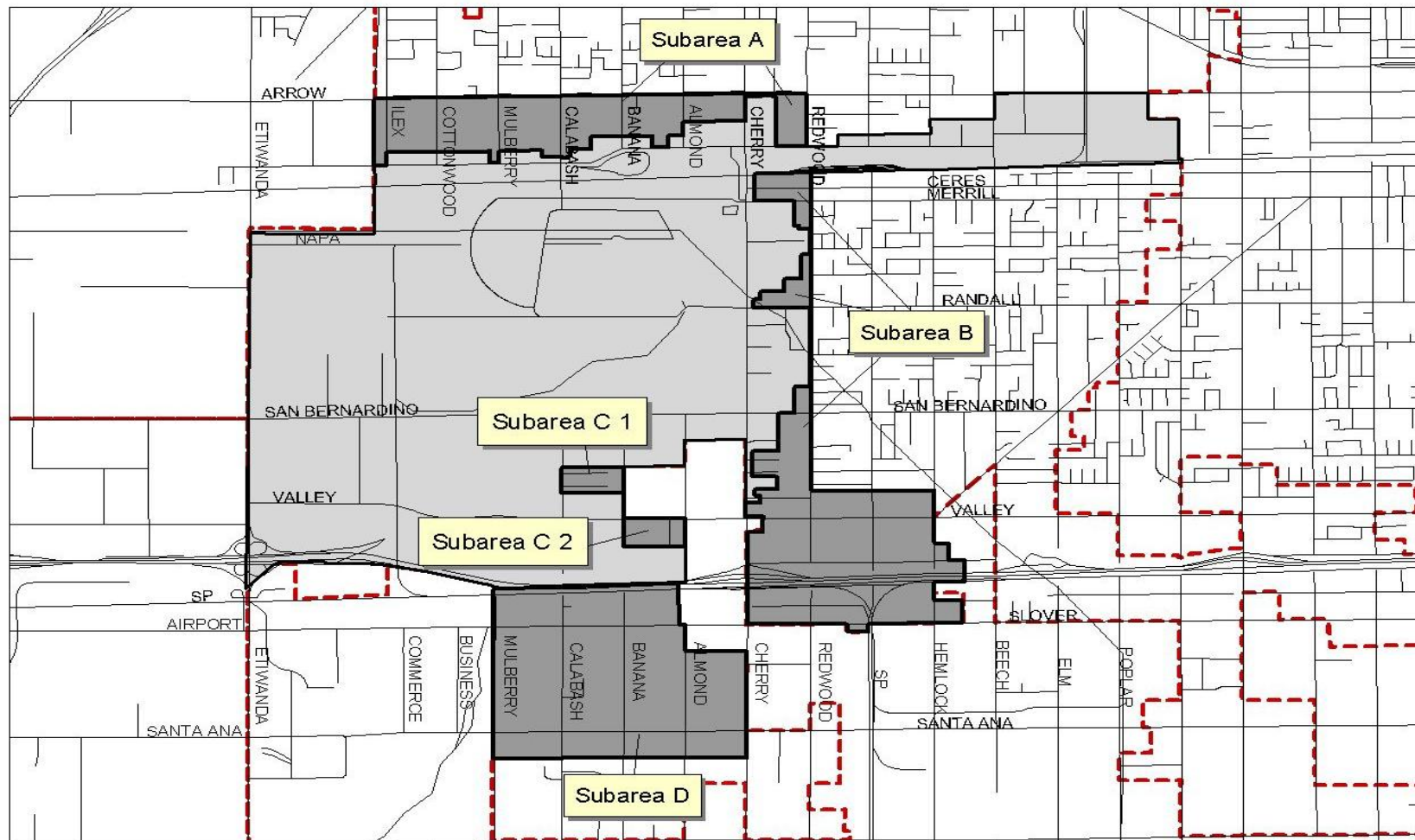
Adoption of this Implementation Plan does not approve any of the projects listed below. Projects to be undertaken by the CoRDA are subject to discretionary approvals by the CoRDA, as well as environmental clearance as determined by staff. Pursuant to Section 33490(a)(1)(B), adoption of an implementation plan shall not constitute a “project” within the meaning of the California Environmental Quality Act (CEQA, Public Resources Code Section 21000 et seq.), and inclusion of any project or program in the implementation plan shall not eliminate environmental analysis that would otherwise be required.

Contents of the Implementation Plan

Section 33490 of the CRL requires this Implementation Plan to include the following:

- Specific CoRDA goals and objectives for the San Sevaire Redevelopment Project Area;
- Specific programs, potential projects, and estimated expenditures proposed by the CoRDA over the five-year planning period, and;
- An explanation of how CoRDA goals, objectives, programs, and expenditures will eliminate blight within the Project Area and improve and increase the supply of housing affordable to very low, low, and moderate income households.

Pursuant to Section 33490 of the CRL and applicable laws, redevelopment agencies, such as the CoRDA, have been required since 1994 to adopt an implementation plan every five (5) years. The CRL also requires that this Implementation Plan address the CoRDA’s affordable and inclusionary housing requirements, specifically outlining the implementation process of the deposit and appropriate expenditure of not less than 20% of all tax increment allocated from a project area into a housing fund for the increase and improvement of the community’s supply of low- and moderate-income housing. These items are specifically addressed in the document titled, “County of San Bernardino Ten-Year Housing Implementation Plan—San Sevaire Redevelopment Project,” attached hereto as Appendix A.



San Sevaire Redevelopment Project
Exhibit A: Project Areas Map

Legend

- City Limits
- Proposed Added Area
- Existing Project Area



Background

The Board of Supervisors of the San Bernardino County created its first redevelopment project when it adopted Ordinance No. 3631 on December 19, 1995, establishing the San Sevaire Redevelopment Project, as proposed by the CoRDA. As adopted, the Project Area included a 2,835 acre area ("Original Area") generally located within a large unincorporated island in the western section of the County predominantly surrounded by the cities of Ontario on the southwest, Rancho Cucamonga on the northwest, and Fontana to the east, north and south. The CoRDA's first Implementation Plan was adopted in 1995 as part of the initial San Sevaire Redevelopment Plan approval. The focus project was the redevelopment of the vacant Kaiser Steel Plant as well as several public infrastructure and transportation improvements. Since implementation of the Project Area's programs in the Project Area began nine years ago several achievements have occurred. These include:



- ◆ The 1997 opening of the California Speedway on the previously vacant Kaiser Steel Plant, which attracts tens of thousands of visitors annually to the auto races.



- ◆ Retention of California Steel Industries within the Project Area and renovation of a portion of its facilities.



- ◆ New industrial development has taken place in scattered portions of the Original Project Area.



- ◆ Previously declining property values and community pride have rebounded, which serve as evidence of a unified effort and momentum to revitalize the Project Area. New construction of commercial and industrial properties are occurring.

Road improvements design to address congestion and access problems that have been completed in the last five years in various areas and include installing sidewalks, widening of roads, improving drainage, and general road improvements. The following areas have had work completed:

Cherry Avenue at Randall

Cherry Avenue at Gene

San Bernardino Avenue at Banana & Almond

Cherry Avenue at Merrill

Cherry Avenue at Whittram

Calabash from Whittram to Foothill

Whittram from Hickory to Cherry Avenue

Recently completed flood control projects addressing flooding and poor drainage include:

Hickory Basin at San Bernardino and Arrow

Etiwanda and Cherry Avenue facilities

Etiwanda/San Sevaïne Channel

Despite these notable individual accomplishments, significant blighting conditions remain in the Original Area and in surrounding properties.

The proposed Added Area suffers from inadequate infrastructure and other physical and economic barriers to its proper redevelopment and utilization. The CoRDA is in the process of amending the Project Area Redevelopment Plan to add the certain surrounding properties ("Added Area") to the Project Area. If Amendment No. 1 is adopted, it will expand the use of redevelopment tools and financing mechanisms to eliminate blight and revitalize the area.

Amendment No. 1 expands the Project by incorporating an additional 1,156 acres of territory. The Added Area is made up of five non-adjacent Sub Areas that intersect the Original Area at various points. Sub Area A is made up of commercial, residential, and industrial properties that are adjacent to the northern boundary lines of the Original Area while Sub Area B, which consists of residential and industrial properties, lies west of Redwood Avenue adjacent to the eastern boundary line of the Original Area. Along the southeastern part of the Original Area lie Sub Areas C-1 and C-2, which consist of residential and industrial properties. Lastly, Sub Area D is defined by a set of mainly industrial uses, which are situated below the southern and southeastern boundary of the existing Project Area. These separate areas are portrayed in the Project Area Map, shown as Exhibit A provided on page 3 of this document.

Plan Limitations

When originally approved and adopted, the San Sevaire Redevelopment Plan contained time, debt and other limitations to the use of the redevelopment tools and mechanisms. Tables 1 and 2 below summarize the relevant limits of the Redevelopment Plan and the modifications to the Redevelopment Plan proposed in Amendment No. 1.

SAN SEVAINE REDEVELOPMENT PROJECT EXISTING REDEVELOPMENT PLAN LIMITS					TABLE 1
Area	Limits to Incur Debt	Effectiveness of Plan	Limits on Receiving Tax Increment	Bonded Debt Limit	Time Limit of the Use of Eminent Domain/1
Original Area	December 19, 2015	December 19, 2026	December 19, 2041	\$47 Million	December 19, 2007

1/ Power of eminent domain is limited to non-residentially occupied or County General Plan designated non-residential land uses for the Added Area and limited in the Original Area.

SAN SEVAINE REDEVELOPMENT PROJECT PROPOSED REDEVELOPMENT PLAN LIMITS AMENDMENT No. 1					TABLE 2
Area	Limits to Incur Debt	Effectiveness of Plan	Limits on Receiving Tax Increment	Bonded Debt Limit	Time Limit of the Use of Eminent Domain/1
Original Area	Unchanged	Unchanged	Unchanged	\$165 Million	12 Years from the effective date of the adopting Ordinance
Added Area	2024	2034	2049		

1/ Power of eminent domain is limited to non-residentially occupied or County General Plan designated non-residential land uses for the Added Area and limited in the Original Area.

Goals of the Redevelopment Plan

A key element of the Redevelopment Component includes the goals and objectives that guide the activities of the CoRDA in eliminating blight in and revitalizing the Project Area. The goals and strategy of the CoRDA and the Board over the next five-year term in order to address and turn the tide against the blighting conditions that exist in the Project Area are as follows:

Goal/Objective

The CoRDA aims to encourage and promote economic development and growth in both the Original Area and, if adopted, the Added Area. The desired outcome includes: generating adequate employment opportunities for area residents; creating effective business retention, expansion, and attraction programs and incentives for existing and potential retail, commercial, and/or service enterprises; and turning the tide on the high levels of vacancy and declining property values of parcels within the Project Area, and in the proposed Added Area.

Throughout the Implementation Plan period, the CoRDA plans to implement programs and incentives to encourage and support business and property owners as well as institutions and organizations to invest in improving, expanding, and revitalizing their businesses and/or structures in the Project Area. The CoRDA, along with appropriate County departments and agencies, will proactively work to provide an environment for social and economic growth by replanning, redesigning, and redeveloping portions of the Project Area and proposed Added Area that are stagnant or improperly utilized; correcting deficiencies such as eradicating or rehabilitating buildings in which it is unsafe or unhealthy to live or work and which have incompatible and uneconomic land uses and high crime rates. Where needed, the CoRDA plans to assemble land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.

Goal/Objective

Along with the County Board of Supervisors, the CoRDA plans to build a new County Fire Station and County Safety Office within the general boundaries of the Project Area in order to provide needed public safety services more efficiently and closer to the residents. Gang, graffiti, and crime prevention programs will be identified and integrated with redevelopment and revitalization programs as a strategy to create a safer environment where residents and business owners feel confident to invest.

Goal/Objective

The CoRDA seeks to ensure the proper participation in the redevelopment process by property and business owners, area residents, and other stakeholders in the Project Area and proposed Added Area to among other things preserve and enhance the unique cultural and historical qualities; preserve and enhance the system of parks, open space, and recreational and community facilities serving Project Area residents; and to ensure the preservation and enhancement of residential neighborhoods, including activities resulting in increased homeownership.

Goal/Objective

Improving the network of roads and other public infrastructure systems serving the Project Area and proposed Added Area is a priority of the CoRDA in order to, among other things, relieve existing traffic congestion. In regards to the goal of encouraging the strengthening of retail and other commercial functions, as well as the upgrading of its industrial sector, the objective is to provide appropriate street, interchange, and railroad overpass or other public improvements that will eliminate accessibility constraints that interfere with proper development of the Project Area and proposed Added Area.

Additional Objectives applicable to the subject Implementation Plan are:

- Eliminate and prevent the recurrence of blighting conditions in the Project Area and proposed Added Area;
- Ensure the provision and rehabilitation of housing stock at necessary levels;
- Preserve, Improve and Expand the stock of housing available to low- and moderate-income households, pursuant to the various age and income requirements of the CRL; and
- Enhance and upgrade the physical, social and economic conditions within the Project Area and proposed Added Area thereby improving the quality of life for San Bernardino County residents.

Five-Year Implementation Plan

San Sevaine Redevelopment Project

Blighting Conditions

The redevelopment tools contained in the CRL are granted for use in a project area in order to eliminate and prevent the prevalence of blighting conditions in such area. A blighted area is one that necessitates the creation of a redevelopment project area because the combination of conditions in an area constitute a burden on the community and cannot be alleviated by private enterprise, governmental action, or both. The following criteria are used in the process of identifying an area as blighted:

- **Unsafe/Dilapidated/Deteriorated Buildings.** Buildings and structures in which it is unsafe or unhealthy for people to live or work. Deferred maintenance that result in serious dilapidation and deterioration, faulty or inadequate utilities, and other similar conditions can lead to such conditions.
- **Physical Conditions that Limit the Economic Viability and Use of Lots/Buildings.** Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. Given the current needs, market conditions, and standards of the Project Area and proposed Added Area, these conditions may result from substandard design, inadequate size of parcels, lack of parking and other related factors.
- **Incompatible Land Uses.** Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the Project Area and proposed Added Area.
- **Lots of Irregular Shape, Inadequate Size, and Under Multiple Ownerships.** The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.
- **Depreciated/Stagnant Property Values; Impaired Investments.** Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of CoRDA authority as specified in Article 12.5 (commencing with Section 33459 of the CRL).
- **High Business Turnovers and Vacancies/Low Lease Rates/Abandoned Buildings/Vacant Lots.** Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.
- **Lack of Neighborhood Commercial Facilities.** A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.

- **Overcrowding/Excess of Adult Businesses.** Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults that has led to problems of public safety and welfare.
- **High Crime Rates.** A high crime rate that constitutes a serious threat to the public safety and welfare.

Furthermore, Section 33030(c) of the CRL also states that a blighted area may be one that contains inadequate public improvements, parking facilities, or utilities when other blighting conditions are also present.

Blighting Conditions Present in Project Area

Original Area

The level and scope of blight in the existing Project Area was conclusively established as part of the adoption process of the San Sevaire Redevelopment Project and Plan in Ordinance No. 3631, December 1995.

Blighting Conditions identified in the Original Area include:

Unsafe/Dilapidated/Deteriorated Buildings

Physical Conditions that Limit the Economic Viability and Use of Lots/Buildings

Incompatible Land Uses

Lots of Irregular Shape, Inadequate Size, and Under Multiple Ownerships

Depreciated/Stagnant Property Values; Impaired Investments

The prevalence of these conditions is evidence of the need to continue the use of redevelopment tools and redevelopment projects and programs to address blight in the existing Project Area.

Added Area

The parcel-by-parcel field survey conducted by RSG in February 2004 resulted in the identification of blighting conditions that necessitate the use of the redevelopment tools currently available in the existing Original Area. In the proposed Added Area, each parcel was evaluated based on the physical condition of the structure, the condition of the lot, and the land use compatibility between that of the parcel and its surrounding uses. Accordingly, the significant blighting conditions identified in the proposed Added Area include:

Unsafe/Dilapidated/Deteriorated Buildings

Physical Conditions that Limit the Economic Viability and Use of Lots/Buildings

Incompatible Land Uses

Depreciated/Stagnant Property Values; Impaired Investments

Overcrowding

High Crime Rates

A decision on whether the Added Area ought to be included in the Original Project Area is to be made at the October 26, 2004 Joint Public Hearing. Pending such decision, the brief discussion above serves as reference of the circumstantial context within which this Implementation Plan is prepared.

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San Sevaine Redevelopment Project

Redevelopment Projects and Programs

Introduction

To implement the redevelopment projects and programs, the CoRDA plans to utilize a mix of funding mechanisms including tax increment revenues, bonded debt, revenues and financial assistance from the San Bernardino County, the State of California, and/or the Federal Government. The guiding objectives of the CoRDA redevelopment efforts are to catalyze a revival of the Original Area's industrial, retail, and commercial activity and employment opportunities as well as improve the quality of life of the residents through the various public infrastructure upgrades it has planned.

A summary and description of the CoRDA projects and programs planned for the existing Project Area, during the 2004-05 to 2008-09 Implementation Plan period follows in the next several pages. Estimates of the related expenditures are based on staff projections and may change according to fund availability and project revenues.

Pursuant to Section 33490 of the CRL, this section outlines a list of tentative strategies to eliminate existing blighting conditions in and encourage the revitalization of the existing Project Area. Anticipated expenditures are based on preliminary staff estimates and are subject to change based upon available funding.

Implementation Plan Objectives

Consistent with the CoRDA goal of catalyzing an economic revitalization – inclusive of increased property values, greater and more viable retail, commercial, and/or industrial business activity and employment opportunities – a key element of the CoRDA approach is to prepare and implement a Project Area Economic Plan and Marketing Strategy. Between July 2004 and June 2005, the CoRDA will conduct a range of related activities such as:

- Prepare a San Sevaine Economic Plan and Marketing Strategy;
- Prepare and implement marketing programs with The California Speedway;
- Prepare assistance program to attract more businesses to the existing Project Area ;
- Develop an inventory of existing Project Area businesses to identify County Economic Business assistance programs.

Financial Resources

Over the past nine years, tax increment funds have provided the core of the revenues available for implementation of the San Sevaire Redevelopment Plan. While redevelopment project areas are not traditionally expected to produce useable amounts of tax increment in the beginning years, the San Sevaire Redevelopment Plan – as originally approved in 1995 – anticipated the creation of useful tax increment value as early as the 1996-1997 fiscal year once The California Speedway was successfully completed. The initial 1995 Implementation Plan predicted that the available amount of revenue, inclusive of tax increment funding and other sources, for use in the San Sevaire Redevelopment Project Area would be approximately \$21.1 million.

Over the past three years, the San Sevaire Project Fund has produced significant financial resources available for the redevelopment projects and programs within the existing Project Area; it further contributed greatly to the housing trust fund dedicated to the preservation and enhancement of housing affordable to low- and moderate-income households. Table 3 below provides brief snapshots of the San Sevaire Project fund over the 2000-2003 fiscal year period:

SAN SEVAINE REDEVELOPMENT PROJECT SAN BERNARDINO COUNTY REDEVELOPMENT AGENCY				TABLE 3 PRECEEDING 3 YR CASH FLOW
	1 2000-01	2 2001-02**	3 2002-03	Total
Beginning Cash Balance (including reserves)	\$2,491,393	\$3,107,056	\$4,267,737	\$9,866,186
Revenues				
TOTAL	\$635,903	\$1,560,137	\$2,235,295	\$4,431,335
TOTAL AVAILABLE FUNDS	\$3,127,296	\$4,667,193	\$6,503,032	\$14,297,521
Expenditures				
TOTAL	\$326,218	\$399,456	\$676,912	\$1,402,586
REMAINING FUNDS AVAILABLE	\$2,801,078	\$4,267,737	\$5,826,120	

Notes:

1. Figures above based on Annual Financial Statements and Independent Auditors' Reports.

** The difference between the 2000-2001 Ending Balance and 2001-2002 Starting Balance may reflect an aggregation of multiple revenue fund sources in the latter two fiscal years but not in the first fiscal year.

For the purposes of this Implementation Plan, a detailed projection of the tax increment and other sources of revenue, in addition to the various project expenditure items, are provided in Table 6 below. This table provides a financial framework within which the projects and programs proposed in the San Sevaire Redevelopment Plan will be executed.

SAN SEVAINE FIVE YEAR IMPLEMENTATION PLAN REDEVELOPMENT AGENCY OF COUNTY OF SAN BERNARDINO						TABLE 4 CASH FLOW PROJECTIONS
	1	2	3	4	5	Total
	2004-05	2005-06	2006-07	2007-08	2008-09	
Beginning Cash Balance (including reserves)	\$5,826,120	\$15,927,016	\$13,852,786	\$12,025,665	\$10,711,944	\$58,343,532
Revenues						
Tax Increment Revenue (Gross)	\$5,924,714	\$6,492,461	\$7,161,717	\$7,528,750	\$7,906,552	\$35,014,194
Proposed Bond Issue Proceeds(non-housing)	\$12,400,000					
Interest Revenue	\$356,436	\$363,565	\$370,836	\$378,253	\$385,818	\$1,854,909
TOTAL	\$18,681,150	\$6,856,026	\$7,532,553	\$7,907,003	\$8,292,370	\$36,869,103
TOTAL AVAILABLE FUNDS	\$24,507,270	\$22,783,042	\$21,385,340	\$19,932,668	\$19,004,314	\$107,612,635
Expenditures						
Taxing Agency Pass Through Payments	\$1,184,943	\$1,298,492	\$1,536,017	\$1,662,070	\$1,791,827	\$7,473,349
County Administrative Charge (1.5%)	\$71,097	\$77,910	\$84,386	\$88,000	\$91,721	\$413,113
Housing Fund (20%)	\$1,184,943	\$1,298,492	\$1,432,343	\$1,505,750	\$1,581,310	\$7,002,839
Debt Service & Trustee Fee	\$2,679,554	\$2,686,004	\$2,676,869	\$2,687,734	\$2,677,851	\$13,408,012
Administration, Maintenance & Overhead	\$871,644	\$889,077	\$906,858	\$924,996	\$943,495	\$4,536,070
TOTAL	\$5,992,180	\$6,249,975	\$6,636,473	\$6,868,550	\$7,086,205	\$32,833,383
FUNDS AVAILABLE FOR PROJECTS	\$18,515,090	\$16,533,067	\$14,748,866	\$13,064,119	\$11,918,110	
Projects and Programs						
<i>Capital Improvement Projects</i>						
Etiwanda/San Sevaïne Channel	\$204,600	\$204,600	\$210,800			\$620,000
West Fontana Channel	\$148,000	\$429,000	\$429,000	\$442,000		\$1,448,000
I-10 Channel	\$100,000					\$100,000
Whittram Ave. at Hickory & Cherry	\$168,720	\$173,832	\$173,832			\$516,384
Whittram Ave. at Cherry to Live Oak	\$39,332					\$39,332
Beech at Whittram & Arrow	\$49,132	\$36,849	\$36,849			\$122,830
Arrow at Lime & Beech	\$27,711					\$27,711
Cherry I-10 Interchange	\$50,579					\$50,579
<i>Economic Incentives</i>	\$1,800,000	\$1,836,000	\$1,872,720	\$1,910,174	\$1,948,378	\$9,367,272
TOTAL	\$2,588,074	\$2,680,281	\$2,723,201	\$2,352,174	\$1,948,378	\$12,292,108
TOTAL COSTS	\$8,580,254	\$8,930,256	\$9,359,674	\$9,220,724	\$9,034,583	\$45,125,491
FUND BALANCE SURPLUS/(SHORTFALL)						
Ending Cash Balance	\$15,927,016	\$13,852,786	\$12,025,665	\$10,711,944	\$9,969,732	\$62,487,144
Bond Reserve Requirement	\$1,007,450	\$1,007,450	\$1,007,450	\$1,007,450	\$1,007,450	
Reserve Required for Cash Flow	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	
Ending Cash Available	\$14,269,566	\$12,195,336	\$10,368,215	\$9,054,494	\$8,312,282	

Notes:

1. Actual numbers are based on data provided in proposed 2004-2005 Budget for Redevelopment Agency and represent fund balances and expenditures rather than cash balances and expenditures.
2. Italics denote additional entries not included in the original Five Year Implementation Plan provided by the Finance Department of the County of San Bernardino.

Forecasted Programs and Projects

A summary of the planned non-housing projects and programs in the existing Project Area is presented in the Table 5 below as well as estimates of the expenditures they will require over the life of this Implementation Plan. Also included in this table are the redevelopment goals and blighting conditions that the action seeks to address.

**FIVE YEAR IMPLEMENTATION PLAN - SAN SEVAINE
SAN BERNARDINO COUNTY REDEVELOPMENT AGENCY**

PROJECTS

TABLE 5

Program	Time Frame	Goals Achieved	Blight Mitigated	Estimated Agency Cost
REDEVELOPMENT (NON-HOUSING) PROGRAM				
Etiwanda/San Sevaime Channel	2004-05 thru 2006-07	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$620,000
West Fontana Channel	2004-05 thru 2007-08	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$1,448,000
I-10 Channel	2004-05 thru 2005-06	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$200,000
Whittram Avenue at Hickory & Cherry	2004-05 thru 2006-07	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$511,272
Whittram Avenue at Cherry to Live Oak	2004-05	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$39,332
Beech at Whittram & Arrow	2004-05 thru 2006-07	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$122,831
Arrow at Lime & Beech	2004-05	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$27,711
Economic Incentives	2004-05 thru 2008-09	Provide new and continuing private sector investment Facilitate an increase in industrial, retail and commercial activity Expand employment opportunities	High levels of vacant/abandoned buildings, Depreciated property values/Impaired investments, High crime rate	\$9,367,272
Cherry I-10 Interchange	2004-05	Eliminate constraints to development Encourage private sector development Installation of new or replacement of existing public improvements facilities and utilities in areas currently inadequately served.	Accessibility constraints to proper development of Project Area parcels due to inadequate street, interchange, and other infrastructure systems.	\$50,579
Taxing Agency Reimbursement and Fees	2004-05 thru 2008-09	County Administrative Fee Meet taxing agency agreements on payment of tax increment	Not applicable.	\$21,294,473
Administration, Maintenance and Operations	2004-05 thru 2008-09	Provide funding to meet all necessary legal obligations including operations and administrative costs	Not applicable.	\$4,536,070
GRAND TOTAL FIVE YEAR NON-HOUSING PROGRAM COST				\$38,217,541

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San Sevaine Redevelopment Project

How CoRDA Goals and Objectives will Eliminate Blighting Conditions in the Project Area (Original and Proposed Added Area)

The CoRDA has formulated the following redevelopment goals and objectives as a means to eliminate and prevent the recurrence of the existing Project Area's blighting conditions:

1. Elimination of blight and the correction of environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work, incompatible and uneconomic land uses, and high crime rates.
2. Participation in the redevelopment process by property owners, business occupants, residents, and other individuals or groups as may be appropriate.
3. Preservation and enhancement of the unique cultural and historical qualities of the existing Project Area.
4. Preservation and enhancement of residential neighborhoods, including activities resulting in increased homeownership.
5. Preservation and enhancement of parks, open space, and recreational and community facilities serving the Project Area.
6. Strengthening of retail and other commercial functions in the existing Project Area.
7. Strengthening of the economic base of the existing Project Area by stimulating new investment.
8. Expansion of employment opportunities.
9. Provision of an environment for social and economic growth.
10. Replanning, redesign, and redevelopment of portions of the existing Project Area, which are stagnant or improperly utilized.
11. Assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the existing Project Area where suitable.
12. Expansion, improvement and preservation of the community's supply of affordable housing.

13. Installation of new or replacement of existing public improvements, facilities and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities.
14. Conservation, rehabilitation and redevelopment of the Project Area in accordance with the County General Plan, future specific or area plans, additional specific performance and development standards, design guides, the proposed Redevelopment Plan Amendment, and the Development Code.
15. The elimination of substandard buildings and those that conflict with uses proposed in the County General Plan and the applicable County standards and guidelines.
16. Creation of a strong industrial incentive program to encourage upgrading of industrial buildings and to attract new industrial uses to the area.
17. Elimination or amelioration of constraints to development, including, without limitation, accessibility constraints that interfere with proper development by providing, as may be appropriate, street, interchange, and railroad overpass or other public improvements.
18. Provision of assistance, as may be appropriate, to property owners, businesses, and investors to facilitate the rehabilitation or construction of buildings suitable for job generating industrial, retail, commercial, and service uses.
19. Provision, as may be appropriate, of assistance to public and private development entities in the mitigation of environmental conditions that interferes with property development.
20. Promotion of new and continuing private sector investment with the Project Area to prevent the loss of and to facilitate an increase in industrial, retail, commercial and service activity.

Adoption of the Amendment No. 1 would continue efforts in the existing Project Area and provide a catalyst for the Added Area's economic development needs by permitting the use of redevelopment tools to address problem properties impaired by physical and economic conditions that have stigmatized private sector investment. The Added Area boundaries were selected to provide the CoRDA the ability to redevelop obsolete uses, include areas that were hindering the redevelopment of the existing Project Area, assist in affordable housing opportunities, adjust boundaries to include "pockets" between the Project Area and adjacent city boundaries, provide for economic development opportunities, and create new employment opportunities in the community. The CoRDA looks to provide infrastructure, financial, and land assembly incentives to stimulate development of the Added Area, similar to what has been occurring in the Original Area.

Five-Year Implementation Plan

San Sevaine Redevelopment Project

Housing Implementation Plan

Introduction

The CoRDA has previously completed its Ten Year Housing Implementation Plan for the San Sevaine Redevelopment Project ("Housing Plan"), which was prepared by Willdan in the summer of 2004. The five year lifetime (2004-05 to 2008-09) of this Implementation Plan is included in the period covered by the Housing Plan. The specifics of the CoRDA's activities to satisfy its inclusionary and replacement housing requirements, pursuant to Sections 33300 et. seq. of the CRL, are addressed in Housing Plan and are herein made part of this Implementation Plan. A copy of the Housing Plan is affixed as Appendix A and incorporated herein by reference. Page 1 of the Housing Plan provides estimates of the following categories:

- number of new or rehabilitated residential units to be developed within the Project Area;
- number of units for very low-income and low- and moderate-income households to be developed by private and public agencies other than the CoRDA;
- CoRDA-developed units to be developed in the next 5 years; and
- number of CoRDA-developed units to be developed to meet the affordable housing requirements.*

* As stated in page 1 of the Housing Plan.

Summary

Some of the Housing Plan findings are highlighted in this section to provide a glance of the CoRDA's housing obligations during the life of this Implementation Plan. Section 8.1 of the Housing Plan report provides an estimate of revenues and potential uses of the 10 year Housing Set Aside fund. For the purposes of this Implementation Plan, a snapshot of the appropriate 5 year period is provided in Table 7 below.

SAN SEVAINE REDEVELOPMENT PROJECT SAN BERNARDINO COUNTY REDEVELOPMENT AGENCY					TABLE 7 HOUSING SUMMARY
	1 2004-2005	2 2005-2006	3 2006-2007	4 2007-2008	5 2008-2009
Original Set Aside	\$1,180,000	\$1,339,000	\$1,367,000	\$1,396,000	\$1,425,000
Amended Plan Set Aside	\$0	\$15,596	\$32,617	\$50,617	\$69,118
Total 20% Set Aside	\$1,180,000	\$1,354,596	\$1,399,617	\$1,446,617	\$1,494,118

This table presents estimates from the Ten-Year Housing Implementation Plan in a modified format. The numbers themselves are the same as those provided in the Housing Plan, Section 8.1, page. 21.

These housing funds along with other applicable and available matching dollars are to be dedicated to helping families in the Project Area meet their housing needs, based on their level of income. Based on a formula provided on page 22 of said Housing Plan, Willdan estimates that for 2004, the different renter and owner affordability values in the county are provided in Table 8 below:

SAN SEVAINE REDEVELOPMENT PROJECT SAN BERNARDINO COUNTY REDEVELOPMENT AGENCY					TABLE 8 HOUSING AFFORDABILITY
	Jan 2004				
	Median	Very Low	Low	Median	Moderate
State Rental Percent		50%	60%		110%
State Owner Percent		50%	70%		110%
2004 Area Median	\$54,300				
2004 State Rental	\$54,300	\$27,150	\$32,580	\$54,300	\$59,730
2004 State Owner	\$54,300	\$27,150	\$38,010	\$54,300	\$59,730

This table presents estimates from the Ten-Year Housing Plan in a modified format. The numbers themselves are the same as those provided in the referenced report, Section 8.1, page 23.

In terms of specific projects and actions that the CoRDA intends to pursue to meet Housing Trust Fund expenditures at the income-specific proportions pursuant to CRL section 33334.4, the Housing Plan summarizes a list of potential approaches in page 35:

- Infill Acquisition and Rehabilitation: CoRDA proposed acquisition of 70 or more vacant and dilapidated residential properties for potential construction or rehabilitation, each of which will carry a 55 year affordability covenant.
- Multi-Family Apartment Program: Proposal to assist in financing, through construction of public infrastructure, the development of low and moderate-income, multi-family housing communities, which can provide up to 85 units that will help the CoRDA meet its inclusionary requirements.
- Single-Family Housing Units: Similar to the previous category, the CoRDA proposes to off-set private development costs of building affordable single-family units.